

LETTER OF TRANSMITTAL

Office: 420 Hill Street
Hollister, CA 95023
FAX: (831) 636-4364



COMMUNITY DEVELOPMENT DEPT

PLANNING DIVISION

Mail: 375 Fifth Street
Hollister, CA 95023
Phone: (831) 636-4360

HOUSING POLICY
DEVELOPMENT HCD

To: Cathy Creswell, Deputy Director
California Dept. of Housing & Community Dev.
1800 Third Street
Sacramento, CA 95811-6942

Date: March 24, 2008

MAR 26 2008

Subject: City of Hollister 2007 Housing Element
Reporting

WE ARE SENDING YOU:

x	ATTACHED OR		UNDER SEPARATE COVER VIA	Fax & Mail
---	-------------	--	--------------------------	------------

THE FOLLOWING ITEMS

	PLANS		PRINTS		SPECIFICATIONS		SAMPLE
	COPY OF LETTER		CHANGE ORDER		SHOP DRAWINGS		OTHER

PAGES	DATE	NO.	DESCRIPTIONS
		1	Copy of City of Hollister Annual 2007-08 General Plan Progress Report

THESE ARE TRANSMITTED AS CHECKED BELOW:

X	FOR INFORMATION & COORDINATION		FOR REVIEW AND COMMENT
	FOR APPROVAL		AS REQUESTED
	Copy of approved application		RETURNED AFTER LOAN TO US
	FOR YOUR FILES		RESUBMIT COPIES FOR REVIEW
	SUBMIT COPIES FOR DISTRIBUTION		RETURN CORRECTED PRINTS

REMARKS: Please find attached a copy of the City of Hollister Annual 2007-08 General Plan Progress Report. Section C of this report includes Housing Element reporting requirements mandated by Government Code sections 65583 and 65584. Please feel to call the Development Services Department or e-mail me at mary.paxton@hollister.ca.gov if you have any questions or concerns.

COPIES TO:

COMMUNITY DEVELOPMENT DEPT.
PLANNING DIVISION
BY: Mary M. Paxton

HOUSTON POLICY
DEVELOPMENT, HCD

MAR 26 2008

City of Hollister Annual 2007-08 General Plan Progress Report
Approved City Council Resolution 2008-34
March 17, 2008

RESOLUTION NO. 2008-34

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER
APPROVING THE CITY OF HOLLISTER ANNUAL 2007-2008
GENERAL PLAN PROGRESS REPORT**

WHEREAS, Government Code Section 65400 mandates that the City of Hollister submit an Annual Progress Report on the status of the General Plan and progress in its implementation to the Governor's Office of Planning and Research by April 1st of each year; and

WHEREAS, the Annual Progress Report must be presented to the City Council and accepted at a regular City Council meeting; and

WHEREAS, the California Department of Housing and Community Development requires local agencies to report on progress with meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing; and

WHEREAS, the City of Hollister has prepared a 2007-2008 Annual Progress Report dated March, 2008; and

WHEREAS, the guidelines from the Governor's Office and Planning and Research and forms from the California Department of Housing and Community Development were used to prepare the report;

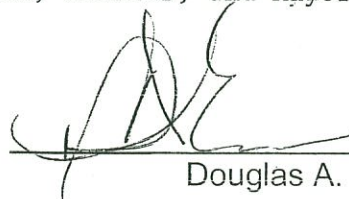
THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF HOLLISTER, that said City Council has reviewed and accepted the City of Hollister Annual 2007-2008 General Plan Progress Report dated March 2008, at the Regular City Council meeting held on March 17, 2008.

PASSED AND ADOPTED, this 17th day of March, 2008, by the following vote:

AYES: Council Members Pike, Johnson, Sanchez, and Mayor Emerson.


NOES: None.

ABSENT: Council Member Valdivia.



Douglas A. Emerson, Mayor

ATTEST:


Geri Johnson, City Clerk

03 1106110
DUPLICATE OF ORIGINAL
ON FILE IN THE
OFFICE OF THE CITY CLERK
CITY OF HOLLISTER

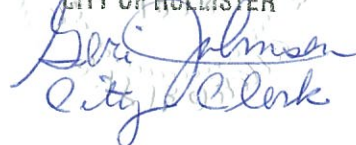

Geri Johnson
City Clerk

TABLE OF CONTENTS

1. DATE OF ACCEPTANCE OF CITY OF HOLLISTER ANNUAL 2007-08 GENERAL PLAN PROGRESS REPORT BY THE CITY OF HOLLISTER CITY COUNCIL
2. MEASURES ASSOCIATED WITH IMPLEMENTATION OF GENERAL PLAN ELEMENTS
3. HOUSING ELEMENT REPORTING REQUIREMENTS
4. CITY OF HOLLISTER GENERAL PLAN COMPLIANCE WITH THE OFFICE OF PLANNING AND RESEARCH GENERAL PLAN GUIDELINES
5. DATE OF THE LAST UPDATE TO THE CITY OF HOLLISTER GENERAL PLAN
6. CITY COUNCIL PRIORITIES FOR LAND USE DECISIONS
7. GOALS, POLICIES, OBJECTIVES STANDARD OR OTHER PLANS PROPOSALS THAT NEED TO BE ADDED OR WERE DELETED, AMENDED OR ADJUSTED.
8. LISTS OF PLANNING ACTIVITIES
9. GENERAL PLAN AMENDMENTS
10. MAJOR DEVELOPMENT APPLICATIONS PROCESSED
11. LISTS OF INTERAGENCY OR INTERGOVERNMENTAL COORDINATION EFFORTS

**1. DATE OF ACCEPTANCE OF CITY OF HOLLISTER ANNUAL 2007-08
GENERAL PLAN PROGRESS REPORT BY THE CITY OF HOLLISTER CITY COUNCIL**

The City of Hollister Annual 2007-08 General Plan Progress report was reviewed and accepted by the City Council at the regular City Council meeting of March 17, 2008.

2. MEASURES ASSOCIATED WITH IMPLEMENTATION OF GENERAL PLAN ELEMENTS

C.F. Prioritize Road Improvements	Implementation Status
C.F.1 Highway 25 bypass	Funding for North Street extension delayed to prioritize construction of Highway 25. Bypass under construction and scheduled for completion in 2008.
Sign Regulations	Implementation Status
LU.A Develop signage ordinance (Planning) <ul style="list-style-type: none"> • LU 1.7 Establish Gateway signs • LU 1.8 Signage to fit in scale and character of building 	<ul style="list-style-type: none"> ✓ Planning Commission approved Resolution 2008-4 recommending approval of the Sign Ordinance to City Council on February 28, 2008. Draft ordinance includes new sign type – ‘Gateway sign’. Standards developed to retain character of community with limitations on height of signs but more flexible standards for number of signs on larger property. ✓ City Council study session to review Sign Ordinance to be scheduled for April 7, 2008
Zoning Regulation Implementation	Implementation Status
LU.C Revise zoning regulations (Planning/Engineering)	<ul style="list-style-type: none"> ✓ Rezone 2007-3 revised zoning regulations to establish zoning districts for General Plan ‘Public’ and Open Space designations in 2007 ✓ Thirteen Focused workshops held on zoning ordinance revision
LU.G Develop and adopt design review guidelines (Planning)	<ul style="list-style-type: none"> ✓ Draft ordinance to be reviewed by Planning Commission in April to include <ul style="list-style-type: none"> ○ Draft site development guidelines for Old Town special planning area

H.L	Adopt criteria for use in design review and refine the design review process (Planning Commission)	<ul style="list-style-type: none"> ○ RDA authorized to proceed with streetscape and lighting plan for West Gateway ✓ Draft site development standards for
LU.J	Develop guidelines for the preparation of lighting plans	<ul style="list-style-type: none"> ✓ Focused Planning Commission discussion on lighting 2/07 ✓ Draft standards to scheduled for PC review in draft ordinance April/May 2008
H.C	Prepare land use plans to facilitate multi-family infill housing (Planning)	<ul style="list-style-type: none"> ✓ Draft zoning map includes about Mixed Use areas in Downtown Commercial Mixed Use, Mixed Use and West Gateway ✓ Draft allocation program includes percentages for multi-family and mixed use projects and points for projects in Redevelopment Project Area ✓ Map of infill unincorporated islands in Hollister Sphere of Influence prepared ✓ GPA 2006-1 lists infill unincorporated islands and properties with split jurisdiction for priority annexation. ✓
H.N	Implement zoning amendments for mobile and manufactured homes (Planning)	Draft Zoning Ordinance would allow mobile and manufactured homes on foundations as a permitted use in a residential zone subject to design review guidelines and zoning standards.
Services/Fees		Implementation Status
H.B	Expand sewer and water system capacity to meet housing needs (Public Works)	<p>Wastewater treatment plant under construction with incentives to complete contract on schedule (December 2008)</p> <p>Final Subsequent EIR for Reclaimed Water Irrigation Project to be released in Spring of 2008.</p>
LU.D	Update public service master plans (Police and Fire)	Pending
H.F	Revise impact and planning Fees (Planning)	
LU.E	Initiate a process to amend the AMBAG forecasts	Completed in 2006

LU.F	Conduct outreach and education	
LU.H	Develop a street tree program (Engineering)	
LU.I	Develop streetscape improvement guidelines (Engineering)	
Inclusionary Housing		
LU.B	Investigate inclusionary housing programs (Housing)	✓ Development Services Department staff took an on-line course in Summer of 2007
H.A	Establish inclusionary housing regulations (City Council)	✓ Provisions for inclusionary housing incorporated into Condominium Conversion Ordinance ✓ Review of draft inclusionary standards scheduled for April Planning Commission special meetings.
Affordable Housing		Implementation Status
H.D	Modify the zoning ordinance to give priority to encourage affordable housing	Draft zoning ordinance includes Performance Zone Overlay zoning district to encourage a wider variety of housing types and affordability.
H.G	Establish resale controls and rent and income limits (RDA)	The Hollister Development Agency annually adjusts resale controls and rent and income limits based on annual adjustments to the most recent Official State Income Limits
H.E	Modify the zoning ordinance to give priority to encourage lot consolidation for affordable housing	Pending zoning ordinance revision
H.H	Increase allocations for affordable housing	
H.I	Implement the growth management ordinance to give priority to affordable housing	

Economic Justice		Implementation Status
H.K	Adopt an anti-discrimination ordinance (RDA)	
H.J	Adopt a reasonable accommodation ordinance (City Council)	<ul style="list-style-type: none"> ✓ Condominium Conversion ordinance includes requirements for accessible units ✓ Incentives in draft growth management allocation program
H.M	Disseminate fair housing information (RDA)	English and Spanish Fair Housing Information is Posted at City Hall, the Building Department and Redevelopment Agency/ Development Services Department
H.O	Develop an amnesty program for second units	
H.P	Inventory vacant buildings in the Downtown	
Open Space		Implementation Status
OS.A	Create an agricultural community disclosure ordinance	

3 . HOUSING ELEMENT REPORTING REQUIREMENTS

Tables A and A2. Annual Building Activity Report (see Appendix A):

The California Regional Water Quality Control Board imposed a moratorium on the issuance of building permits in the City of Hollister in October of 2002. New residential construction will not be allowed until the state imposed moratorium on development is lifted. The City of Hollister is constructing a new regional wastewater treatment facility that is scheduled for completion in December of this year. The state imposed moratorium has prevented that City of Hollister from meeting New Construction Regional Housing Needs since 2002.

Table B: Regional Housing Needs Allocation (2001-2009)

Income Type	Very Low	Low	Moderate	Above Moderate	Total
Regional Housing Need	600	599	725	1,230	3,154
Building Permits					
2001				448	
2002				138	
2003	0	0	0	0	0
2004	0	0	0	0	0
2005	0	0	0	0	0
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2001-date	0	0	0	586	586
Remaining Regional Housing Need Balance	600	599	725	644	2568

Table C: Project Implementation Status – Local Effort to Remove Governmental Constraints to the Maintenance, Improvement, and Development of Housing pursuant to §65583 (c)

TABLE C -City of Hollister Housing Element Program Implementation

Description of Program	Objective	Time Frame	Status of Program Implementation
H.A Establish inclusionary housing regulations (City Council)	Provide affordable housing	2006	<ul style="list-style-type: none"> ✓ Development Services Department staff took an on-line course in Summer of 2007 ✓ Provisions for inclusionary housing were incorporated into Condominium Conversion Ordinance adopted in August ✓ Review of draft inclusionary standards scheduled for April Planning Commission special meetings.
H.B Expand sewer and water system capacity to meet housing needs (Public Works)	Provide capacity for wastewater treatment for the General Plan Program period 2005-2023	2007	<p>Wastewater treatment plant under construction with incentives to complete contract on schedule by December 2008</p> <p>Final Subsequent EIR for Reclaimed Water Irrigation Project to be released in March 2008.</p>
H.C Prepare land use plans to facilitate multi-family infill housing (Planning)	During preparation of General Plan identify areas for higher density zoning	2005	<ul style="list-style-type: none"> ✓ Adopted land use plan includes higher density areas concentrated near commercial areas ✓ Focused zoning ordinance review workshops held in 2007 examined standards for mixed use land use categories of General Plan <p>GPA 2007-1 approved to add a technical appendix with an inventory of vacant residential lands in the Hollister General Plan Planning Area. Amended General Plan sent to HCD for review.</p>

Description of Program	Objective	Time Frame	Status of Program Implementation
H.D. Modify Zoning Ordinance to encourage affordable Housing	Amend the zoning ordinance to support the development of affordable housing	April 2007	<ul style="list-style-type: none"> ✓ Focused Workshops held in 2007 for zoning ordinance revision ✓ The April 2008 draft zoning ordinance will reduce the minimum parcel size for second units, establishes a flexible performance overlay zoning to allow zero lot line development on 4,000 square foot lots, reduce the R1 minimum lot size to 5,000 sq. ft. for undeveloped areas, establish mixed use zoning districts, flexible parking requirements in mixed use areas, rezone properties consistent with the General Plan. ✓ Draft allocation program includes percentages for multi-family and mixed use projects and points for projects in Redevelopment Project Area to stimulate multi-family infill development
H.E Modify the zoning ordinance to give priority to encourage lot consolidation for affordable housing	Consolidation of lots for multi-family development	2006	Pending completion
H.F Revise impact & planning Fees (Planning)	Nexus between fees and housing size (occupancy)	2007	Feasibility study was completed but was challenged. Completion is pending.

Description of Program	Objective	Time Frame	Status of Program Implementation
H.G Establish resale controls and rent and income limits (RDA)		2006	The Hollister Development Agency annually adjusts resale controls and rent and income limits based on annual adjustments to the most recent Official State Income Limits
H.H Increase allocations for affordable housing			Accomplished in Growth Management Allocation Program
H.I Implement the growth management ordinance to give priority to affordable housing			Weighting for RDA project area, higher percentage for specify multi-family and mixed use
H.J Adopt a reasonable accommodation ordinance (City Council)	Housing stock that is accessible		<ul style="list-style-type: none"> ✓ Condominium Conversion ordinance includes requirements for accessible units ✓ Incentives in draft growth management allocation program
H.K Adopt an anti-discrimination ordinance (RDA)			
H.L Adopt criteria for use in design review and refine the design review process (Planning Commission)		2008	Pending zoning ordinance revision
H.M Disseminate fair housing information (RDA)		2008	English and Spanish Fair Housing Information is Posted at City Hall, the Building Department and Redevelopment Agency/ Development Services Department

Description of Program	Objective	Time Frame	Status of Program Implementation
H.N Implement zoning amendments for mobile and manufactured homes (Planning)		2008	Draft Zoning Ordinance would allow mobile and manufactured homes on foundations a permitted use in a residential zone subject to design review guidelines and zoning standards.
H.O Develop an amnesty program for second units		2008	
H.P Inventory vacant buildings in the Downtown		2008	
H. Q. Encourage "green" building standards and process		2009	
H.R. Establish zoning for emergency shelters and transitional housing facilities	Streamline siting of emergency shelters and transitional housing facilities	2009	Standards for emergency shelters and transitional housing were discussed at a December 2007 Planning Commission meeting. The April 2008 draft zoning ordinance will identify zoning districts where there uses are permitted with performance standards.
HS Establish zoning for farm worker and ranch had housing		2009	
H.T. Modify residential care facility zoning with inclusionary requirements at all licensed facilities.		2009	
H. U Participate in the creation of a nonprofit affordable housing organization		2009	The City of Hollister and San Benito County have been coordinating to establish hire and share funding for a Housing Coordinator during 2007. Position is expected to be filled in 2008.

- 4. CITY OF HOLLISTER GENERAL PLAN COMPLIANCE WITH THE OFFICE OF PLANNING AND RESEARCH GENERAL PLAN GUIDELINES**
- 5. DATE OF THE LAST UPDATE TO THE CITY OF HOLLISTER GENERAL PLAN**

The City of Hollister completed a comprehensive update to the 1995-2005 General Plan when it adopted the 2005-2023 General Plan in December of 2005. The update was prepared to be in compliance with the Office of Planning and Research General Plan Guidelines.

6. CITY COUNCIL PRIORITIES FOR LAND USE DECISIONS (E.G. PASSAGE OF MORATORIA OR EMERGENCY ORDINANCES).

- a. The City of Hollister adopted an urgency ordinance in February 2007 to prohibit the conversion multi family units to residential condominiums in response to the conversion of two four lexes and a 26-unit apartment complex in 2006. The vacancy rate in Hollister since Census 2000 has been less than 2%. The adopted ordinance links future condominium conversions to the replacement and enhancement of the rental stock in the City of Hollister. A higher conversion rate will be allowed when the rental stock increases to 20% of the housing stock. The City of Hollister has allocated
- b. The City Council adopted Resolution 2007- 58 establishing post-moratorium build-out schedule for the 1197 residential dwelling units with an pre-moratorium allocation and/or agreement for development. The resolution bases building permit issuance on project readiness, requirements of an existing Development Agreement and allocation limits included in a local citizens initiative - Measure U.
- c. The City of Hollister has held two workshops and a joint City Council/Planning Commission meeting to review the new Growth Management Rating scale.
- d. In conjunction with to the lifting of the sewer moratorium it is recommended that the City Council conduct a study session to review policies and procedures for outside jurisdiction sewer service to the new regional wastewater treatment plan being constructed by Hollister. It is also recommended the City Council coordinate a joint City Council/Board of Supervisors meeting to review policies and procedures for provision of Outside Jurisdiction sewer service in the Hollister Urban Water Area.

7. GOALS, POLICIES, OBJECTIVES STANDARD OR OTHER PLANS PROPOSALS THAT NEED TO BE ADDED OR WERE DELETED, AMENDED OR ADJUSTED.

The City of Hollister has taken several steps to address the issues associated with a multitude of home foreclosures.

- a. The City Council approved a vacant house ordinance to avoid public nuisance and potential destruction of property associated with vacated homes.

- b. Members of the City Council and Redevelopment Agency staff have participated in a Town Hall meeting to educate the community about how foreclosures can be avoided.
- c. A draft sign ordinance has been recommended for approval to the City Council by the Planning Commission.

8. PLANNING ACTIVITIES INITIATED BY THE CITY OF HOLLISTER

- a. Inventory of Sites to meeting regional housing needs: The City of Hollister approved General Plan Amendment 2006-1 in June of 2007. The amendment includes a detailed inventory of vacant residential lands in by general plan land use designation and summarizes rezone requirements by parcel in the City limits. The also lists parcels in the General Plan Area based on the General Plan Phasing Strategy.
- b. A map has been prepared to illustrate priority annexation properties. The inventory includes an inventory of future sites in the Sphere of Influence with a list of parcels that would be a priority for annexation because the properties are substantially surrounded by the City limits or portions of the property are in the City limits. The inventory and map will be used after the moratorium is lifted to implement LU 6.1 Infill Development policy to establish an annexation policy with LAFCO.
- c. Rezoning lands for multi-family, mixed use and single family residential housing: The City of Hollister conducted a series of focused workshops for the City-wide zoning ordinance revisions to implement the 2005-2023 General Plan. Six of the workshops addressed strategies to implement General Plan goals and policies to encourage infill multi-family and Mixed Use development (West Gateway mixed use (2 workshops), Mixed Use, Downtown Commercial and Mixed Use, Infill Residential lands (all densities). The zoning map will be reviewed by the Planning Commission at the March 27, 2008 Planning Commission meeting and four Planning Commission meetings will be held in April to review the draft zoning ordinance. The draft zoning ordinance will include a Performance Overlay zoning district to allow a variety of densities in a project area provided that the overall General Plan density for the property is met. The intent to is allow optimum build-out of a parcel when there are topographical constraints and to encourage construction of a variety of housing sizes, types and prices as opposed to one type of housing stock. The city-wide rezoning will implement LU Policies 7.3 Land Supply, 7.4 New Residential Areas, 7.5 Diverse Neighborhoods.
- d. Growth management Allocation Program: The City of Hollister has held two workshops and a joint City Council/Planning Commission workshop on the growth management allocation rating system. The draft program includes several strategies to promote infill and multi-family, mixed use development:
 - Prioritizing projects in the Hollister Redevelopment Project Area and the

- city limits first (LU 6.2 Phasing Strategy and LU 6.3 Orderly Growth)
- Specifying a set percentage of allocations for Mixed Use districts to stimulate mixed use residential development (
- Requiring performance agreements to assure that construction occurs in a timely manner

9. GENERAL PLAN AMENDMENTS

- a. General Plan Amendment 2006-1 was adopted in June of 2007. The amendment included minor map and text amendments to clarify the intent and/or scope of general plan map areas in the 2005-2023 General Plan and added an inventory for the Housing Element of vacant residential lands by land use designation and jurisdiction. The amendment also added inventories

10. MAJOR DEVELOPMENT APPLICATIONS PROCESSED

- a. Pursuant to a stipulated Settlement Agreement, the City of Hollister approved an amendment to the West of Fairview Specific Plan and Tentative Map 2005-1. The Stipulated Settlement Agreement increased the number of affordable units in the previously approved development agreement. The Specific Plan amendment increased the density to provide for a 100 unit apartment complex with 50 very low income and 50 low income apartment units. The Planning Commission approved Tentative Map 2005-1 in June of 2007 with 50 very low income rental apartments, 50 low income rental apartments, 60 moderate income garden units and 507 market rate single family detached residences.
- b. The City of Hollister was the Lead Agency for environmental review for a phased expansion at Hazel Hawkins Memorial Hospital for a 35,623 square foot Support Services Building, a new 13,825 square foot Emergency Services Department and a three story 26,195 square foot Women's Center. The City of Hollister was approved Site and Architectural Review for the Support Services Building. Hazel Hawkins Memorial Hospital was the Responsible Agency for the other two buildings.

11. LISTS OF INTERAGENCY OR INTERGOVERNMENTAL COORDINATION EFFORTS

- a. Local Agency Formation Commission of San Benito County completed a Municipal Service Review and Sphere of Influence Report for the City of Hollister
- b. The City of Hollister Redevelopment Agency has provided funding to assist the Hollister Downtown Association for the preparation of a Strategic Plan for downtown Hollister. The plans will address existing conditions and a plan for downtown Hollister with the pending re-alignment of Highway 25 to the bypass presently under construction.

- c. As a result of the West Gateway Zoning Ordinance focused workshops, the Redevelopment Agency has directed redevelopment staff to pursue a landscaping and lighting improvements to help remove blight and establish a gateway entrance to the Hollister General Plan West Gateway special planning area.
- d. The City of Hollister Redevelopment Agency has been directed to take measures to address foreclosures in Hollister.
 - i. As a result of lower property values and to help provide affordable housing, the Redevelopment Agency has directed staff to re-start the Hollister Second Program with a priority of selling vacant foreclosed homes to qualified buyers.
 - ii. In order to avoid future foreclosures, the Redevelopment Agency has contributed \$25,000 for efforts to collect data on at risk home owners and to help fund outreach and education to homeowners to help prevent foreclosures.
 - iii. The Redevelopment agency and issued letter for support to the Rescue Alliance HRA regarding the provision of free assistance to homeowners at risk of foreclosure